

1 AN ACT concerning revenue.

2 **Be it enacted by the People of the State of Illinois,**
3 **represented in the General Assembly:**

4 Section 5. The Property Tax Code is amended by changing
5 Section 20-15 and by adding Section 9-275 as follows:

6 (35 ILCS 200/9-275 new)

7 Sec. 9-275. Erroneous homestead exemptions.

8 (a) For purposes of this Section:

9 "Erroneous homestead exemption" means a homestead
10 exemption that was granted for real property in a taxable year
11 if the property was not eligible for that exemption in that
12 taxable year. If the taxpayer receives an erroneous homestead
13 exemption under a single Section of this Code for the same
14 property in multiple years, that exemption is considered a
15 single erroneous homestead exemption for purposes of this
16 Section. However, if the taxpayer receives erroneous homestead
17 exemptions under multiple Sections of this Code for the same
18 property, or if the taxpayer receives erroneous homestead
19 exemptions under the same Section of this Code for multiple
20 properties, then each of those exemptions is considered a
21 separate erroneous homestead exemption for purposes of this
22 Section.

23 "Homestead exemption" means an exemption under Section

1 15-165 (disabled veterans), 15-167 (returning veterans),
2 15-168 (disabled persons), 15-169 (disabled veterans standard
3 homestead), 15-170 (senior citizens), 15-172 (senior citizens
4 assessment freeze), 15-175 (general homestead), 15-176
5 (alternative general homestead), or 15-177 (long-time
6 occupant).

7 (b) Notwithstanding any other provision of law, in counties
8 with 3,000,000 or more inhabitants, the chief county assessment
9 officer shall include the following information with each
10 assessment notice sent in a general assessment year: (1) a list
11 of each homestead exemption available under Article 15 of this
12 Code and a description of the eligibility criteria for that
13 exemption; (2) a list of each homestead exemption applied to
14 the property in the current assessment year; (3) information
15 regarding penalties and interest that may be incurred under
16 this Section if the property owner received an erroneous
17 homestead exemption in a previous taxable year; and (4) notice
18 of the 60-day grace period available under this subsection. If,
19 within 60 days after receiving his or her assessment notice,
20 the property owner notifies the chief county assessment officer
21 that he or she received an erroneous homestead exemption in a
22 previous assessment year, and if the property owner pays the
23 principal amount of back taxes due and owing with respect to
24 that exemption, plus interest as provided in subsection (f),
25 then the property owner shall not be liable for the penalties
26 provided in subsection (f) with respect to that exemption.

1 (c) The chief county assessment officer in a county with
2 3,000,000 or more inhabitants may cause a lien to be recorded
3 against property that (1) is located in the county and (2)
4 received one or more erroneous homestead exemptions if, upon
5 determination of the chief county assessment officer, the
6 property owner received: (A) one or 2 erroneous homestead
7 exemptions for real property, including at least one erroneous
8 homestead exemption granted for the property against which the
9 lien is sought, during any of the 3 assessment years
10 immediately prior to the assessment year in which the notice of
11 intent to record at tax lien is served; or (2) 3 or more
12 erroneous homestead exemptions for real property, including at
13 least one erroneous homestead exemption granted for the
14 property against which the lien is sought, during any of the 6
15 assessment years immediately prior to the assessment year in
16 which the notice of intent to record at tax lien is served.
17 Prior to recording the lien against the property, the chief
18 county assessment officer shall cause to be served, by both
19 regular mail and certified mail, return receipt requested, on
20 the person to whom the most recent tax bill was mailed and the
21 owner of record, a notice of intent to record a tax lien
22 against the property.

23 (d) The notice of intent to record a tax lien described in
24 subsection (c) shall: (1) identify, by property index number,
25 the property against which the lien is being sought; (2)
26 identify each specific homestead exemption that was

1 erroneously granted and the year or years in which each
2 exemption was granted; (3) set forth the arrearage of taxes
3 that would have been due if not for the erroneous homestead
4 exemptions; (4) inform the property owner that he or she may
5 request a hearing within 30 days after service and may appeal
6 the hearing officer's ruling to the circuit court; and (5)
7 inform the property owner that he or she may pay the amount
8 due, plus interest and penalties, within 30 days after service.

9 (e) The notice must also include a form that the property
10 owner may return to the chief county assessment officer to
11 request a hearing. The property owner may request a hearing by
12 returning the form within 30 days after service. The hearing
13 shall be held within 90 days after the property owner is
14 served. The chief county assessment officer shall promulgate
15 rules of service and procedure for the hearing. The chief
16 county assessment officer must generally follow rules of
17 evidence and practices that prevail in the county circuit
18 courts, but, because of the nature of these proceedings, the
19 chief county assessment officer is not bound by those rules in
20 all particulars. The chief county assessment officer shall
21 appoint a hearing officer to oversee the hearing. The property
22 owner shall be allowed to present evidence to the hearing
23 officer at the hearing. After taking into consideration all the
24 relevant testimony and evidence, the hearing officer shall make
25 an administrative decision on whether the property owner was
26 erroneously granted a homestead exemption for the assessment

1 year in question. The property owner may appeal the hearing
2 officer's ruling to the circuit court of the county where the
3 property is located as a final administrative decision under
4 the Administrative Review Law.

5 (f) A lien against the property imposed under this Section
6 shall be filed with the county recorder of deeds, but may not
7 be filed sooner than 60 days after the notice was delivered to
8 the property owner if the property owner does not request a
9 hearing, or until the conclusion of the hearing and all appeals
10 if the property owner does request a hearing. If a lien is
11 filed pursuant to this Section and the property owner received
12 one or 2 erroneous homestead exemptions during any of the 3
13 assessment years immediately prior to the assessment year in
14 which the notice of intent to record at tax lien is served,
15 then the arrearages of taxes that might have been assessed for
16 that property, plus 10% interest per annum, shall be charged
17 against the property by the county treasurer. However, if a
18 lien is filed pursuant to this Section and the property owner
19 received 3 or more erroneous homestead exemptions during any of
20 the 6 assessment years immediately prior to the assessment year
21 in which the notice of intent to record at tax lien is served,
22 the arrearages of taxes that might have been assessed for that
23 property, plus a penalty of 50% of the total amount of unpaid
24 taxes for each year for that property and 10% interest per
25 annum, shall be charged against the property by the county
26 treasurer.

1 (g) If a person received an erroneous homestead exemption
2 under Section 15-170 and: (1) the person was the spouse, child,
3 grandchild, brother, sister, niece, or nephew of the previous
4 owner; and (2) the person received the property by bequest or
5 inheritance; then the person is not liable for the penalties
6 imposed under this subsection for any year or years during
7 which the county did not require an annual application for the
8 exemption. However, that person is responsible for any interest
9 owed under subsection (f).

10 (h) If the erroneous homestead exemption was granted as a
11 result of a clerical error or omission on the part of the chief
12 county assessment officer, and if the owner has paid its tax
13 bills as received for the year in which the error occurred,
14 then the interest and penalties authorized by this Section with
15 respect to that homestead exemption shall not be chargeable to
16 the owner. However, nothing in this Section shall prevent the
17 collection of the principal amount of back taxes due and owing.

18 (i) A lien under this Section is not valid as to (1) any
19 bona fide purchaser for value without notice of the erroneous
20 homestead exemption whose rights in and to the underlying
21 parcel arose after the erroneous homestead exemption was
22 granted but before the filing of the notice of lien; or (2) any
23 mortgagee, judgment creditor, or other lienor whose rights in
24 and to the underlying parcel arose before the filing of the
25 notice of lien. A title insurance policy for the property that
26 is issued by a title company licensed to do business in the

1 State showing that the property is free and clear of any liens
2 imposed under this Section shall be prima facie evidence that
3 the property owner is without notice of the erroneous homestead
4 exemption. Nothing in this Section shall be deemed to impair
5 the rights of subsequent creditors and subsequent purchasers
6 under Section 30 of the Conveyances Act.

7 (j) When a lien is filed against the property pursuant to
8 this Section, the chief county assessment officer shall mail a
9 copy of the lien to the person to whom the most recent tax bill
10 was mailed and to the owner of record, and the outstanding
11 liability created by such a lien is due and payable within 30
12 days after the mailing of the lien by the chief county
13 assessment officer. Payment shall be made to the chief county
14 assessment officer who shall, upon receipt of the full amount
15 due, provide in reasonable form a release of the lien and shall
16 transmit the funds received to the county treasurer for
17 distribution as provided in subsection (i) of this Section.
18 This liability is deemed delinquent and shall bear interest
19 beginning on the day after the due date.

20 (k) The unpaid taxes shall be paid to the appropriate
21 taxing districts. Interest shall be paid to the county where
22 the property is located. The penalty shall be paid to the chief
23 county assessment officer's office for the administration of
24 the provisions of this amendatory Act of the 98th General
25 Assembly.

26 (l) The chief county assessment officer in a county with

1 3,000,000 or more inhabitants shall establish an amnesty period
2 for all taxpayers owing any tax due to an erroneous homestead
3 exemption granted in a tax year prior to the 2013 tax year. The
4 amnesty period shall begin on the effective date of this
5 amendatory Act of the 98th General Assembly and shall run
6 through December 31, 2013. If, during the amnesty period, the
7 taxpayer pays the entire arrearage of taxes due for tax years
8 prior to 2013, the county clerk shall abate and not seek to
9 collect any interest or penalties that may be applicable and
10 shall not seek civil or criminal prosecution for any taxpayer
11 for tax years prior to 2013. Failure to pay all such taxes due
12 during the amnesty period established under this Section shall
13 invalidate the amnesty period for that taxpayer.

14 The chief county assessment officer in a county with
15 3,000,000 or more inhabitants shall (i) mail notice of the
16 amnesty period with the tax bills for the second installment of
17 taxes for the 2012 assessment year and (ii) as soon as possible
18 after the effective date of this amendatory Act of the 98th
19 General Assembly, publish notice of the amnesty period in a
20 newspaper of general circulation in the county. Notices shall
21 include information on the amnesty period, its purpose, and the
22 method in which to make payment.

23 Taxpayers who are a party to any criminal investigation or
24 to any civil or criminal litigation that is pending in any
25 circuit court or appellate court, or in the Supreme Court of
26 this State, for nonpayment, delinquency, or fraud in relation

1 to any property tax imposed by any taxing district located in
2 the State on the effective date of this amendatory Act of the
3 98th General Assembly may not take advantage of the amnesty
4 period.

5 A taxpayer who has claimed 3 or more homestead exemptions
6 in error shall not be eligible for the amnesty period
7 established under this subsection.

8 (35 ILCS 200/20-15)

9 Sec. 20-15. Information on bill or separate statement.
10 There shall be printed on each bill, or on a separate slip
11 which shall be mailed with the bill:

12 (a) a statement itemizing the rate at which taxes have
13 been extended for each of the taxing districts in the
14 county in whose district the property is located, and in
15 those counties utilizing electronic data processing
16 equipment the dollar amount of tax due from the person
17 assessed allocable to each of those taxing districts,
18 including a separate statement of the dollar amount of tax
19 due which is allocable to a tax levied under the Illinois
20 Local Library Act or to any other tax levied by a
21 municipality or township for public library purposes,

22 (b) a separate statement for each of the taxing
23 districts of the dollar amount of tax due which is
24 allocable to a tax levied under the Illinois Pension Code
25 or to any other tax levied by a municipality or township

1 for public pension or retirement purposes,

2 (c) the total tax rate,

3 (d) the total amount of tax due, and

4 (e) the amount by which the total tax and the tax
5 allocable to each taxing district differs from the
6 taxpayer's last prior tax bill.

7 The county treasurer shall ensure that only those taxing
8 districts in which a parcel of property is located shall be
9 listed on the bill for that property.

10 In all counties the statement shall also provide:

11 (1) the property index number or other suitable
12 description,

13 (2) the assessment of the property,

14 (3) the statutory amount of each homestead exemption
15 applied to the property,

16 (4) the assessed value of the property after
17 application of all homestead exemptions,

18 (5) ~~(3)~~ the equalization factors imposed by the county
19 and by the Department, and

20 (6) ~~(4)~~ the equalized assessment resulting from the
21 application of the equalization factors to the basic
22 assessment.

23 In all counties which do not classify property for purposes
24 of taxation, for property on which a single family residence is
25 situated the statement shall also include a statement to
26 reflect the fair cash value determined for the property. In all

1 counties which classify property for purposes of taxation in
2 accordance with Section 4 of Article IX of the Illinois
3 Constitution, for parcels of residential property in the lowest
4 assessment classification the statement shall also include a
5 statement to reflect the fair cash value determined for the
6 property.

7 In all counties, the statement must include information
8 that certain taxpayers may be eligible for tax exemptions,
9 abatements, and other assistance programs and that, for more
10 information, taxpayers should consult with the office of their
11 township or county assessor and with the Illinois Department of
12 Revenue.

13 In all counties, the statement shall include information
14 that certain taxpayers may be eligible for the Senior Citizens
15 and Disabled Persons Property Tax Relief Act and that
16 applications are available from the Illinois Department on
17 Aging.

18 In counties which use the estimated or accelerated billing
19 methods, these statements shall only be provided with the final
20 installment of taxes due. The provisions of this Section create
21 a mandatory statutory duty. They are not merely directory or
22 discretionary. The failure or neglect of the collector to mail
23 the bill, or the failure of the taxpayer to receive the bill,
24 shall not affect the validity of any tax, or the liability for
25 the payment of any tax.

26 (Source: P.A. 97-689, eff. 6-14-12.)

1 Section 99. Effective date. This Act takes effect June 1,
2 2013.